

**Council for Higher Education Accreditation 2012 Annual Conference**  
**“Accreditation and the Future: What’s Known? What’s Next?”**  
**Remarks of Dr. Martha J. Kanter**  
**Under Secretary, U.S. Department of Education**  
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Thank you for inviting me to speak with you this morning. Quality, integrity and accountability are topics of national concern that continue to garner increased attention and scrutiny from the diverse stakeholders that represent higher education institutions, state systems, states, accrediting agencies, higher education organizations and government. In preparing these remarks, I took some time to reflect on why the voices of critics have escalated over the past 15 years, and to think about the collective responsibility that all of us have to both enhance and reform our nation’s accrediting systems to enable excellence and integrity throughout our institutions of higher education and the organizations that serve them.

Secretary Duncan and I care deeply about educational quality, institutional performance, public accountability and transparency. We are working on many levels to ensure that institutions and accreditors take advantage of the high impact practices in teaching and learning that enable world-class results in student and institutional performance. We believe that to meet the President’s 2020 goal to once again lead the world in the number of well-educated college graduates, it is essential for all of us to re-imagine and reposition higher education for the 21<sup>st</sup> century.

Today a number of institutions and accrediting agencies are taking risks to reform and strengthen their focus on student learning and success. As I’ve visited many institutions over the past two and a half years, I’ve marveled at what I call “islands of excellence” within departments and programs and across institutions, and asked: “why as a nation we haven’t scaled excellence very well?” Many institutions are frustrated that their graduation results aren’t higher or their default rates aren’t lower, or that too many of their students are leaving and it’s hard to get them back. Others don’t have those challenges but have trouble attracting students to their doors. Still others are at the top of their game with a long history of successful students, lots of innovation, and tremendous confidence in what they do and what they contribute to their communities, our nation and the world, while others suffer from lack of financial management, administrative turnover, scandals, campus politics, investigations and lawsuits.

While accreditors tell institutions that they have met or not met the minimum standards to earn accreditation, historically and unfortunately there’s been little or no differentiation among institutions or sectors related to quality, integrity or accountability. It’s hard to see in today’s environment of increasing differentiation that the “one size fits all” system will meet our needs for the new century. Certainly the papers and testimony provided by hosts of experts tell us that we can and should create better ways to accredit our institutions. Some regional and national accreditors are re-examining their methods and taking risks to redesign their systems, taking a harder look at postsecondary outcomes for students and institutions, rethinking their cost structures, and increasing the transparency of their decisions and their decision-making processes,

while others are waiting on the sidelines. None of us, in my opinion, have the luxury of waiting and it's heartening to see some of these initial reform efforts focused on optimizing student performance, discussing common standards, degree qualifications and, in general, examining what a competency-based system of higher education might look like in the years ahead. At the Department, we're working to improve our existing databases – especially IPEDS – and to find ways to build on the steps we've already taken to share information and strengthen our relationships with other federal agencies, including NSF, Energy, the VA, the IRS, the SSA, the Consumer Financial Protection Bureau and the Department of Justice, to name a few. Our goal is to leverage each other's databases and resources, avoid duplication and increase transparency for students and families.

### *Accomplishments of the Administration*

Before I talk more specifically about the role of accrediting agencies, let me share a few words about what we are doing at the Department to help us meet our college access, affordability, and quality and completion goals.

A lot has been accomplished since President Obama took office. In the past two and a half years, we've taken important steps to place college within reach of more Americans. First, when the Health Care and Reconciliation Act took effect, it overhauled the federal student loan program—eliminating the bank-based FFEL program and the subsidies to banks, moving to 100% direct loans. These actions saved taxpayers an estimated \$68 billion dollars over 11 years, and have enabled us to make a \$40 billion dollar investment in Pell grants, with greater flexibility for students in managing their student loan obligations. Our transition to direct lending was seamless and today all 6,000 institutions of higher education have now successfully converted to direct lending.

We've also streamlined how students apply for federal aid through the Free Application for Federal Student Aid (FAFSA) – a move that contributed to growing the number of aid applicants by 19% last year, and a net increase of 12% more students from low-income families who enrolled in colleges and universities last fall. We've dramatically simplified the FAFSA form, partnering with Treasury and the IRS to eliminate questions to which the government already has answers. And further simplifications are planned. All in all, we've increased from 6 million students enrolled in college with Pell grants at the end of 2008 to more than 9 million today, a 50% increase in just two short years.

These efforts matter. We know that students who take that first important step of filling out the FAFSA are much more likely to attend college. Around 90% of students who complete the FAFSA attend college; however, one estimate says that less than 60% of high school seniors actually take that step to fill out the form.

That's why, in addition to making it easier to complete the FAFSA, we are actively reaching out to students to help them understand that federal aid is indeed available to attend college and that it's vital that they fill out the FAFSA to access it.

Right now, the Education Department is carrying out a pilot project in 20 cities whose goal is to ensure that students do, in fact, complete the FAFSA. The promise of

this project lies in its simplicity. High school guidance counselors submit information about their students to the Department's Federal Student Aid Office. FSA responds by telling the guidance counselors which of their students have completed the FAFSA. Guidance counselors make use of this information to follow up with their students and work with them to complete the form.

This project is patterned after an initiative started by Secretary Duncan when he led the schools in Chicago. Between 2007 and 2009, the FAFSA completion rate in Chicago increased from 54% to 81%. And I'm happy to report that the completion trend has continued there even without Arne at the helm -- preliminary 2010 data from Chicago high schools indicates that the FAFSA completion rate will be near 90%.

If we were to replicate this success nationwide, we estimate that we'd have an additional 133,000 students enrolled in postsecondary education in the first year alone. With each year's cumulative increases, we would be closing in on the President's 2020 goal. In truth, our vision includes no FAFSA at all - a time when the government would simply send eligible families a letter letting them know that a Pell grant is waiting for their children or themselves at the campus -- just like the letter you get every year from the Social Security Administration.

Another project that we're excited about will increase students' knowledge of financial literacy and expand students' understanding of federal financial aid and how it can help them. Through a \$1.7 million grant to the Tennessee Department of Education, educators will be developing, implementing, and evaluating personal finance instruction materials that teach students about the financial benefits of enrolling in college. The project -- targeted at students in high-need K-12 school districts, where college-going rates are particularly low -- aims to help them make financial decisions that will support the goal of attending college. Participating students will also have the opportunity to actually fill out the FAFSA as part of the financial literacy curriculum.

As many of you know, Tennessee has one of the best statewide longitudinal data systems in the country. It will use that system to track the progress of students throughout the life of the project. We also want to promote the concept that CFED, the Corporation for Enterprise Development, a 30-year old non-profit in Washington, DC, has been working on, to support college savings accounts for low-income families.

The centerpiece of our commitment to ensure that more Americans enroll in college and earn a degree is our investment in the Pell grant program. This year the Administration sustained the maximum Pell grant of \$5,550 while responding to increased demand in the program. In 2010, 12% more Pell-eligible students enrolled in our institutions of higher education due to the significant increase in federal aid applications. And we delivered \$134 billion in federal aid to approximately 14 million students attending 6000 colleges and universities across the nation. Since taking office, President Obama has increased Pell grants for low-income students by \$818 a year. As I mentioned, the number of students receiving Pell grants has grown from 6 to 9.6 million students. So when I think about President Obama's call to action, that by 2020 we regain our lead as the nation with the most college graduates, we're on our way.

With a 50% increase in college enrollments for low-income student, all of our stakeholders have the opportunity ahead to increase college completion by 50%!

We are also proud that since 2009, we've offered middle-class families the American Opportunity Tax Credit (AOTC) – a partially refundable credit of up to \$2,500 a year for four years of college, to help cover tuition and education-related expenses.

The AOTC was set to expire in 2010, but the President fought to extend it for two more years. In 2011 alone, the Treasury Department estimated the AOTC will have provided more than \$18 billion dollars in tax relief for about 9.4 million eligible families of college students. We are working to make this tax credit permanent.

Another federal program that's designed to boost our nation's college-going population is College Access Challenge Grants, awarded to every state in the country for a total of \$750 million over five years. States are developing innovative and wide-ranging activities to motivate and excite students about higher education in order to increase the number of low-income students prepared to enter and succeed in college, as well as have the necessary knowledge to wisely manage their student loans.

The most recent accomplishment took place this December, when the Department of Education and the Department of Justice jointly released guidance to colleges and universities nationwide on how they may voluntarily promote diversity in higher education. Our administration strongly believes that, in an increasingly diverse world, being educated in a diverse environment better prepares students to compete in the global economy and to participate fully in our democracy. Diverse learning environments strengthen the civic and political life of our nation, break down stereotypes, promote racial understanding and tolerance, and enhance the caliber of education. Helping university officials understand they can legally pursue diversity in education is a goal of this administration because doing so fosters educational equity and excellence as well as long-term economic security. We hope that CHEA and all accrediting agencies will use this guidance in the months and years ahead.

*From Access to Affordability, Quality, Productivity, and Completion*

Beyond our commitment to access, the mainstays of our higher education agenda are to keep college affordable for America's families and to increase college completion. And we know that enabling students to complete college depends on affordability, quality and productivity.

At the front end, we must increase the transparency of information about a college education, so students and families have the facts about costs and outcomes when they are deciding which institution to choose.

You well know that we must also work together to ensure smoother, better-articulated transitions at all stages of the education pipeline, and identify and invest in strategies to promote on-time and accelerated degree attainment. Far too many entering freshmen aren't prepared for the rigors of academic work at the college level, but it's our responsibility to play a major role in ensuring with our K-12 partners that high

school students are competent in English, Math, Science, the Arts and Social Studies when they graduate. Increasing college and career-ready standards is the heart of our K-12 Race to the Top and Investing in Innovation reform efforts, but higher education must play a significant role in this work as a partner with K-12.

We all know that college costs more when students have to retake classes due to poor grades, or take remedial courses because they are not prepared for college level work. Better preparation will enable students to graduate in less than 6 years, save 25-50% on a college education, and acquire the skills and credentials needed for fulfilling careers.

Our quality agenda has also resulted in the publication of the first 13 program integrity regulations – from incentive compensation and state authorization rules to the definition of a credit hour.

President Obama has also established a new Consumer Financial Protection Bureau dedicated to protecting consumer rights. The U.S. Department of Education has started working with the new bureau to address consumer complaints more aggressively. And we've established stronger working relationships with the Department of Justice, the Office of the Inspector General and the General Accounting Office – to protect the interests and resources of consumers, taxpayers and institutions and learn and leverage the results of these joint efforts to improve educational opportunity and quality.

In addition, we're working with the major higher education associations to hold meetings and community conversations around the country to focus on the high impact practices that are being used to increase the number of well-prepared college graduates, and we welcome your participation, your ideas and your suggestions in moving us toward the 2020 goal.

In November, Secretary Duncan spoke to the Federal Student Aid conference in Las Vegas where he made news by calling for containing the spiraling costs of college and reducing the burden of debt on our nation's students. At the Department, we all believe what President Obama said, "In the United States of America, no one should go broke because they chose to go to college." Our Administration has taken a number of important steps to reduce the net price that students and families have to pay to attend college and the amount of student debt that individuals take on. Over the last decade, the net price of college has risen nearly six percent a year, after inflation. Yet in the last three years—thanks largely to a dramatic expansion in federal aid and tax credits—net tuition and fees paid by students at two-year institutions and non-profit four-year institutions have actually declined in real terms.

At the same time, states and institutions are exploring ways to minimize tuition hikes, from tuition and net-price freezes, to tuition locks for student cohorts, to indexing tuition to inflation.

A variety of institutions and systems – Cornell University, Emory University, the University of North Carolina-Chapel Hill, the University of California system, and the

Midwestern Higher Education Compact – are implementing management and administrative efficiencies to reduce expenses and to centralize, streamline, and share costs and functions. These efforts are models that higher education can use to increase productivity without sacrificing instructional quality.

We do not believe it's a given that increasing quality and expanding access has to lead to raising costs. We have told our institutions that in the era of the knowledge economy, the urgency of controlling college costs is not at odds with the urgency of increasing college attainment. Both goals are necessary if society is to do all it can to help more Americans succeed and thrive in the global job market.

### *NACIQI and Reauthorization of the HEA*

One last subject I would like to tell you about is the considerable work done by NACIQI. In 2010, our new National Advisory Committee on Institutional Quality and Integrity met for the first time and accepted the Secretary's charge to provide him with their recommendations regarding the reauthorization of the Higher Education Act. The committee convened two hearings to listen to experts and hear a full range of ideas and suggestions for improving accreditation. At their meeting last month they took under consideration their subcommittee's draft report on higher education accreditation reauthorization policy considerations, and conducted straw poll votes on each of the many options it contained. They plan to finalize their report and send it to the Secretary prior to their meeting in June.

NACIQI's work centers around what is working (and not working) in the current system of recognition, accreditation, and student aid eligibility. A key issue they debated was whether to maintain the linkage of accreditation and eligibility for federal Title IV funds. With a substantial federal investment in education (over \$175 billion available in Title IV funding for student aid in 2011), the federal process for determining aid eligibility has included institutional or program accreditation by a recognized accrediting agency as its assurance of the quality of the education endeavors to which Title IV funds might be directed. While there are well-founded concerns about the wide variation in the quality of education offered by accredited institutions, it is important to recall why Congress gave accrediting agencies the gatekeeper role sixty years ago. The GI Bill of 1944 allowed veterans to use their education benefits virtually anywhere and many enrolled in substandard institutions that provided them with little or no education. With the dramatic increase in the number of diploma mills, it is clear that the problem of substandard institutions has not gone away. The federal government is not capable of making academic quality determinations -- and I'm certain that no one here advocates that we do so. The majority of NACIQI members support maintaining the current gatekeeping role for accrediting agencies and, at this point, we have not seen any viable proposals for doing otherwise.

The committee also considered the effectiveness of the "triad" and determined that there is a need for clarification and articulation of responsibilities of the federal government, the states and accrediting agencies in overseeing postsecondary education. This is a long-standing issue and one that deserves attention. In addition, coordinated communication among these entities and increased transparency would

serve to achieve greater commonality across the quality assurance and eligibility enterprise and better consumer information. We look forward to hearing the committee's specific recommendations for strengthening the triad and promoting the states' role in consumer protection and investigation of complaints. This is especially important now with the growth in online programs and other cross-state program offerings.

Other considerations in the draft report centered on the cost of the accreditation process and the cost and usefulness of data. There is considerable support among the members of NACIQI to make the statutory and regulatory criteria less intrusive and prescriptive, and to ensure that the data collected is useful to consumers, institutions, accrediting authorities, and the federal government and that the cost of acquiring the data is contained and useful relative to their utility.

The take-away from this is that we have to make accreditation itself more flexible, create better data systems -- with agreed-upon definitions -- tackle the issues of how to assess industry-recognized credentials and modernize our systems for assessing prior learning that translate to outcomes.

I'm not advocating for a national or a single system of accreditation. Our voluntary system can meet our needs if we make significant improvements to modernize accreditation standards, processes, expectations, outcomes and benchmarks of performance. And there may be some new avenues for states to work together toward common standards and processes for oversight and compliance. And new roles for the federal government in carrying out our regulatory authorities related to accrediting agency recognition.

Furthermore, if our institutions of higher education are going to continue to flourish and be the best in the world, as they have been in the past, we need to work together to make accreditation far more effective in assuring quality.

### *Challenges for Higher Education*

This a time of great challenges for us because our higher education institutions have problems to confront and questions to answer.

Why is it today that so many of our students of color and so many students from low-income families have failed to graduate from high school and college? Why do we lose nearly half of the students who enter higher education over a six-year period? Are we giving students the rigorous preparation and support they need to succeed in our increasingly diverse communities and in multiple jobs with increasing complexities in their lifetimes? Can we elevate student learning to make it the center of our work, rather than focusing mainly on who gets into college and who gets out? How well we are preparing our nation's citizens as we prepare the next generation of America's workforce? How do we address the colleges and universities who graduate very low numbers of students with full accreditation year after year?

The trends in postsecondary access and completion are not going to turn around without quality as the driving force for our work, but how do we assure quality when millions more U.S. students need to be admitted and graduated from our institutions, when we have capacity problems and students can't complete their programs of study because the classes simply aren't there? Or when state funding, state aid and endowments are slashed in a single year?

How do we assure quality when we haven't clearly distinguished the role and responsibilities of institutions, states, the federal government and accreditors?

The answers are complicated, the leadership challenges daunting, and there are many stakeholders with various roles and oftentimes competing interests, who share the responsibility for assuring the quality of higher education.

CHEA's role is significant to our quality assurance work as a nation, but how do we make sure your goals and your recommendations are embraced by the organizations around the nation tasked with accrediting our institutions? How do we help them accomplish their goals in the face of institutions that may be too fast for their accreditation policies and procedures to keep pace?

Our accrediting associations need to come together with higher education leaders, federal and state policymakers, employers, scholars, councils, researchers and other stakeholders to bring important voices to the table that will result in recommendations to modernize accreditation for the 21<sup>st</sup> century.

We should also learn from other systems, like the one they have in many European countries known as Tuning. This method looks at student learning outcomes; the relationship of outcomes to curriculum reform; new ways to get more students into higher education; and the documentation of student attainment and outcomes—to name a few. It will help higher education systems work from the same reference points, which promotes trust and the recognition of credentials across borders.

In the United States, we lack a common qualifications framework. While there is an implicit recognition that there are some core learning outcomes expected of each degree level across our institutions, higher education has not developed a common language to describe them. We do not know whether our accrediting bodies, each with its own set of standards, are assessing these core learning outcomes in a relatively consistent manner.

However, our faculty are now looking more deeply at the learning outcomes – from year to year and across disciplines, and they are beginning to tackle the issue of academic coherence -- defining a degree in terms of learning outcomes rather than as an accumulation of credits. We look forward to the results of more rigorous examinations of learning outcomes that will enable institutions, our families, our states and ultimately our nation to understand the knowledge, skills, responsibilities, and performances or applications that graduates should demonstrate to merit a postsecondary degree.

A deeper commitment to learning outcomes should provide us with:

- A primary focus on the quality and societal value of degrees and certificates, countering tendencies to see the credential as an end in itself, independent of the learning a degree should represent;
- Shared frameworks (across higher education) for assessing students' progress and levels of achievement and for public reporting and campus-based improvement;
- Points of alignment - for example, for specific knowledge and skill areas - on expected achievement levels between school and college; two- and four-year institutions; four-year and post-graduate study; and certificate and degree programs;
- Shared reference points for faculty in developing programs, courses, assignments and assessments, and for innovative degree programs and learning media;
- Shared reference points for students and advisors as they construct degree plans;
- Guidance for students engaged in transfer and/or school re-entry; and
- New connections between college-based learning and learning outside of college, including prior learning that adult students may submit for assessment and inclusion in their degree programs.

As demand for higher education grows, an examination of learning outcomes becomes more essential. We will have to make transparency more important, we will have to learn more about competencies across the board, and how competencies, grades and learning outcomes fit together.

We will have to better protect students from substandard institutions by providing critical information on whether they are providing students a quality education in return for their investment of time, money and energy.

Right now we have too many students who graduate from college who can't write well. We have too many complaints about courses taken that students didn't need for their degrees. We have concerns about graduates who aren't adhering to the set of beliefs and ethics that have bound our communities together from the foundation of our democracy. College costs continue to escalate and the public is exercising a more aggressive "right to know" about the value of its investment.

We can't continue to perpetuate models of accreditation that take too long to accredit new institutions and new programs; ones that emphasize process, inputs, and governance structures more than results, innovation, and evidence. While changing the culture of any organization takes time – and in accreditation there are many stakeholders - we need to be thoughtful and careful in modernizing accreditation standards and processes, yet not to the point of deterring new ideas or new methods of quality assurance that will improve upon what we have.

As Secretary Duncan has said on many occasions, our schools, colleges and communities need to connect the siloed data systems, build and adhere to high standards that prepare our students for the global society in which they will be asked to do more and more, and to document what they are doing so that education is far better understood and more transparent to the American public than ever before.

We look forward to working with CHEA and our regional, national, and programmatic accrediting associations to drive national conversations about quality, credibility and the effectiveness of accreditation for the future – and especially to envision changes as part of our work to reauthorize the Higher Education Act over the next few years.

I want to commend you for your efforts, debates, papers and reports that look at the future of accreditation. Your report, *State Uses of Accreditation: Results of a Fifty-State Inventory*, is a comprehensive look at the most current information on accreditation's role in each of the fifty states. Its examination of the connection between the role of states in authorizing institutions to operate and in professional licensure, and the role of accreditation in quality assurance and improvement will help further the dialogue within and across states and among the members of the triad. This and your other comprehensive work serves as a basis for the discussions we need on accreditation. It will serve us well when we begin to look at the reauthorization of the Higher Education Act.

Together, we must ensure that accreditation is not being bought and sold as a commodity. We cannot undermine public – and employer – confidence in the credentials being awarded by our nation's postsecondary education institutions. We have to bring quality assurance into the 21<sup>st</sup> century.

Right now, we have too many institutions on the brink of financial disaster, we have too many colleges and universities with low graduation numbers and rates, and we have a lot of mediocre programs of study that haven't done much to get better over the years.

Don't get me wrong. We do have stellar programs in hundreds of colleges and universities and throughout our states and districts. But not enough! To achieve change, higher education will need to speak to the nation with one voice; it will have to articulate a clear vision of the challenges and opportunities ahead for the nation and its centrality to the economic and civic health of the country. It will need to commit itself to do its fair share in meeting these challenges of capacity and quality in higher education.

Accreditation is the linchpin of our quality assurance system for higher education. Rethinking the accreditation process must be done on a voluntary basis, through your leadership and your willingness to learn and partner across silos to address ways in which the process can better encourage quality, innovation, and healthy competition that drives excellence, collaboration, incentives that work, and the opportunity to identify and share evidence-based models for continuous improvement.

Accreditation is not transparent enough. We need clearer and more concise ways to explain the results of accreditation to the public. And we need to help our elected leaders better understand why the voluntary system of accreditation is so important to the health and well-being of both our students and institutions.

I know it won't be easy to make all of the changes I've described or to meet all of the challenges I have enumerated, but it's time to move from talking about and analyzing the problem to doing something about it. We have to take action, and as I said at the beginning --- it is bold action that is called for.

### *Conclusion*

Let me close with a few final comments. The Federal government is making historic investments in higher education to improve college affordability, quality, and completion to increase opportunity for students from America's diverse backgrounds and cultures to succeed in our democratic society.

Our national agenda "to have the best educated, most competitive workforce in the world" by 2020 is tremendously ambitious. In the State of the Union Address last year, President Obama challenged the nation to "win the future" by "out-educating, out-innovating, and out-building" the rest of the world. Tonight we will listen carefully to the next phase of our efforts as a nation.

As you can see, the Obama Administration has already invested heavily – and will continue to invest in federal student aid, world class research, college completion and community colleges because these investments are critical to our nation's future, to our country's social and economic prosperity and to our global competitiveness.

Improving quality will require the best of our thinking to make the cultural and operational shifts in accreditation processes as we know them today - shifts that will result in a widespread commitment to make the lasting changes that will move all of our institutions and ourselves to that vision of excellence and equity that will truly bring us to first in the world for the generations ahead! Your thought leadership, your hard work and your diligence are essential to our success as a nation. Do all that you can to help us build the educated citizenry that our nation needs for the century ahead.

Thank you for the opportunity to share these reflections with you.